

**NOTICE OF PUBLIC HEARING  
ON DRAFT PERMIT FOR  
MAUI ELECTRIC COMPANY, LIMITED  
REGULATING THE EMISSIONS OF AIR POLLUTANTS**

**(Docket No. 04-CA-PA-2)**

Date of Public Hearing: March 10, 2004

Place: Wailuku Elementary School Cafeteria  
355 South High Street  
Wailuku, Maui

Facility Name: Maui Electric Company, Limited (MECO)  
Operation of Two (2) Existing 20 MW (Nominal) Combustion  
Turbine Generators (Units M17 and M19), Proposed  
Modification to Add Two (2) Unfired Heat Recovery Steam  
Generators and an 18 MW Steam Turbine (Unit No. M18) to  
Units M17 and M19, and the Operation of Two (2) Existing  
Diesel Engine Generators (Units M5 and M7)  
Located at Maalaea Generating Station, Maalaea, Maui

Time: 6:30 p.m.

Pursuant to Hawaii Revised Statutes (HRS), Chapter 342B and Hawaii Administrative Rules (HAR), Chapter 11-60.1, the Department of Health (DOH), State of Hawaii, hereby gives notice of a public hearing that will be held to consider the following **DRAFT PERMIT** to be issued to Maui Electric Company, Limited, located at the Maalaea Generating Station, Maalaea, Maui.

The **DRAFT PERMIT** is described as follows:

Prevention of Significant Deterioration (PSD)/Covered Source Permit No. 0067-01-C, in accordance with Federal PSD regulations, 40 CFR 52.21 and HAR, Chapter 11-60.1, Air Pollution Control, would grant conditional approval for the operation of the existing combustion turbine generators, units M17 and M19, construction and operation of two (2) unfired heat recovery steam generators and an 18 MW steam turbine (unit M18), and the operation of the existing diesel engine generators, units M5 and M7.

The existing combustion turbine generators are currently permitted to operate as simple cycle units. The proposal to add two unfired heat recovery steam generators and a steam turbine will enable the units to operate as either combined or simple cycle units. Combined cycle operation burns the same amount of fuel as simple cycle operation; therefore, combined cycle operation has the same maximum potential to emit as simple cycle operation. The table below reflects the net emissions increase following the proposed modification compared to the PSD significant impact levels:

<b>Pollutant</b>	<b>Net Emissions Increase</b>	<b>PSD Significant Impact Level</b>
	<b>(tons/yr)</b>	<b>(tons/yr)</b>
Nitrogen Oxides	39	40
Sulfur Dioxide	963.6	40
Carbon Monoxide	4166.3	100
Volatile Organic Compounds	198	40
PM/PM <sub>10</sub> <sup>1</sup>	172.6	25/15

<sup>1</sup> Assumed PM<sub>10</sub> is equivalent to PM, as a worst-case assumption.

The net emission increase for NOx represents maximum potential emissions from combustion turbine generator units M17 and M19, and diesel engine generator units M5 and M7 less past actual emissions from units M5 and M7. In addition, the net emission increase for NOx considers all emission increases and decreases occurring at the facility during a specified period of time. For all other pollutants, the net emissions increase represents maximum potential emissions from combustion turbine generator units M17 and M19 since the applicant elected not to take credit for past actual emissions from these units. There are no potential emission increases from the proposed project since the heat recovery steam generators and steam turbine unit M18 are unfired units.

The air quality modeling assessment used U.S. EPA guideline models to predict the impacts in simple, intermediate, and complex terrain. The modeling assessment shows compliance with both the state and national ambient air quality standards and all applicable PSD air quality increments. An impact analysis for NO<sub>2</sub> is not required since the emissions increase is less than the PSD significant impact level. A full impact analysis for CO is not required since the project has an insignificant impact for this pollutant for all averaging periods. The table below lists the results of the ambient air quality impacts:

<b>Air Pollutant</b>	<b>Averaging Period</b>	<b>Maximum Concentration (µg/m<sup>3</sup>)</b>	<b>Background (µg/m<sup>3</sup>)</b>	<b>Total Concentration (µg/m<sup>3</sup>)</b>	<b>State Ambient Air Quality Standard (µg/m<sup>3</sup>)</b>	<b>Percent of Standard (%)</b>
PM <sub>10</sub>	24-hr	31.6	42.1	73.7	150	49.1
	Annual	15.2	14.7	29.9	50	59.8
SO <sub>2</sub>	3-hr	764.9	38.5	803.4	1300	61.8
	24-hr	181.5	13.6	195.1	365	53.5
	Annual	45.9	5.78	51.7	80	64.6

The following table lists the PSD Class II increment consumption from the proposed project and other applicable sources:

Air Pollutant	Averaging Period	Predicted Impact ( $\mu\text{g}/\text{m}^3$ )	Class II Increment ( $\mu\text{g}/\text{m}^3$ )	Percent Consumed (%)
PM <sub>10</sub>	24-hr	21	30	70.0
	Annual	6.81	17	40.1
SO <sub>2</sub>	3-hr	300.3	512	58.7
	24-hr	66.1	91	72.6
	Annual	19.5	20	97.5

A PSD Class I increment analysis was not required since the maximum impacts for SO<sub>2</sub> and PM<sub>10</sub> are below the PSD Class I significant impact levels.

The **ADMINISTRATIVE RECORD**, consisting of the **APPLICATION** and nonconfidential supporting materials from the applicant, the Ambient Air Quality Impact Report, permit review summary, and the **DRAFT PERMIT**, is available for public inspection during regular office hours, Monday through Friday 7:45 a.m. to 4:15 p.m., at the following locations:

**Oahu:**

- Clean Air Branch, Department of Health  
919 Ala Moana Boulevard, Room 203, Honolulu, Oahu 96814

**Maui:**

- Maui District Health Office, Department of Health  
54 High Street, Room 300, Wailuku, Maui

Interested persons are invited to attend the public hearing to make comments and recommendations on the **DRAFT PERMIT** and the Ambient Air Quality Impact Report. Persons desiring to testify should submit two copies of their testimony prior to or at the hearing. In addition, written comments on the draft permits will be accepted if received, or postmarked and mailed, by **March 17, 2004**. Comments shall be delivered or mailed to the Clean Air Branch, Department of Health, 919 Ala Moana Boulevard, Room 203, Honolulu, Hawaii 96814.

Interested persons may obtain copies of the administrative records or parts thereof by paying **five cents per page copying costs**. Please send written requests to the Oahu office of the Clean Air Branch listed above or call Ms. Catherine Lopez at the Clean Air Branch in Honolulu at (808) 586-4200.

DOH can provide auxiliary aids or services (e.g., sign language interpreter, large print, accessible parking) if the above Oahu office of the Clean Air Branch receives such a written request ten days prior to the hearing.

Comments on the draft permit should address, but need not be limited to, the permit conditions and the facility's compliance with federal and state air pollution laws, including: (1) the National and State Ambient Air Quality Standards; and (2) HRS, Chapter 342B and HAR, Chapter 11-60.1.

A final decision to set the conditions of and to issue the **FINAL PERMIT**, or to deny the application for the permit, shall be made after all comments pertaining to the **DRAFT PERMIT** and the Ambient Air Quality Impact Report have been considered. Notice of the final decision shall be sent to each person who has submitted comments or requested such notice.

The decision on PSD/Covered Source Permit No. 0067-01-C shall become effective thirty days from the date of issuance unless:

1. A later effective date is specified in the decision; or
2. The decision on the permit is appealed by filing a petition for review with the Environmental Appeals Board, U.S. EPA, Washington, D.C. (Any person who filed comments on the draft permit or participated in the public hearing may, within thirty days after the decision has been issued, petition the Environmental Appeals Board to review any condition of the permit decision. Any person who failed to file comments or failed to participate in the public hearing on the draft permit may petition for administrative review only to the extent of the changes from the draft to the final permit decision.)

Chiyome Leinaala Fukino, M.D.  
Director of Health

Posted by: February 5, 2004